



GWF ENERGY LLC

August 3, 2001

Mr. Steve Larson
Executive Director
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

RE: Application for Certification
Tracy Peaker Project – GWF Energy, LLC

Dear Mr. Larson:

GWF Energy, LLC is pleased to submit its Application for Certification for the Tracy Peaker Plant, a nominal 169 megawatt (MW) simple cycle natural gas-fired power plant to be located southwest of the City of Tracy, in western San Joaquin County. The project will interconnect to the PG&E Tesla Substation through a 5-mile, 230 kv transmission line. Natural gas interconnection will be provided on site, and water supply will be obtained from the Plain View Water District through a 1470-foot water supply pipeline. A newly constructed on-site switchyard will also be part of the project.

The Tracy Peaker Project will supply power to the California Department of Water Resources (DWR) under a 10-year contract, executed by both parties on May 11, 2001. A primary goal of the project is to provide this needed power to the people of California through DWR beginning in summer peak of July 2002.

The Tracy Peaker Project has been designed to be constructed and operated in compliance with all applicable laws, ordinances, regulations and standards (LORS). All potentially significant environmental impacts will be mitigated, and the project will not have an adverse impact on the electrical system. As a simple cycle project, its water use will be minimal, and it will utilize a near-zero discharge system for wastewater. The project will also apply best available control technology (BACT) for reduction of air emissions, and to our knowledge, it will be the first Frame-type simple cycle project to meet BACT at inception of commercial operation. The project will be a minor source under Federal Prevention of Significant Deterioration (PSD) Regulations, and will not require a PSD Permit.